

Hobbies

Rare-coin dealers may move toward self-regulation

By Roger Boye

The rare-coin industry may attempt to clean up its act by imposing its own regulations on dealers who buy and sell old coins.

Most of the more than 60 hobby pros attending a "numismatic summit meeting" in California earlier this month agreed that the industry should regulate itself—something it has never done before—to restore consumer confidence.

"We must get rid of the bad guys in the rare-coin business,"

Beverly Hills dealer Hugh Sconyers said on Oct. 18. "Whatever regulations are developed should be enforceable and have teeth in them."

The summit elected a seven-member steering committee—chaired by Sconyers—that will study whether to establish a self-regulatory organization for the rare-coin industry. Sconyers' committee is supposed to report its findings at a meeting next January in Florida.

Almost everyone in and outside of the hobby agrees that the vast majority of coin dealers adhere to good business prac-

tices. Nevertheless, the Federal Trade Commission and other government agencies have taken legal action against coin sharks, especially companies that use high-pressure sales tactics or sell over-graded coins.

Some lawmakers in Washington have called for even tougher laws and improved government enforcement to combat the problem. But hobby experts attending the California summit insist that the coin industry can police itself more effectively than Uncle Sam.

Robert J. Leuver, executive director of the 32,000-member

American Numismatic Association, said the summit exceeded his expectations, in part because there was consensus that "something has to be done to restore confidence in the industry." In August, the ANA Board of Governors directed Leuver to explore the establishment of industry self-regulation standards.

(In a statement after the summit, ANA President Kenneth L. Hallenbeck said the ANA "fully supports this effort toward more self-regulation rather than allowing government interference in the hobby and business of numismatics.")